



MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

Supplemental Environmental Projects

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What is a Supplemental Environmental Project?

- Voluntary project part of enforcement settlement
- Must benefit the environment and/or public health
- Must go above and beyond what is required by law
- Portion of penalty mitigated

Why are SEPs Beneficial?

- ✓ Direct environmental and public health benefits
- ✓ Enforcement penalties invested in affected community
- ✓ Popular with and sought by affected community
- ✓ Provides opportunity for partnership and environmental education in affected community



<https://www.earth.com/news/canned-clean-air/>



Background

- April '05 EGLE's SEP Policy updated
- March '15 EPA issued update to Federal SEP policy
- 2017 - AQD Enf staff began evaluating changes to EGLE SEP policy
- Aug '18 – AQD received Great Lakes Env Law Center report recommending changes to policy
- '19-Spring '20 EGLE Enf programs redraft policy
- Aug 7, 2020 – EGLE issued update to policy

Who Did We Consult?

- Evaluated existing AQD/EPA SEPs
- Met with AQD staff, EGLE Enforcement Supervisors and EGLE Senior Management Team to discuss proposed changes
- Evaluated many states policies, and talked specifically to EPA Region 5, Texas, Oregon, Nevada
- Met with Great Lakes Environmental Law Center and Detroit community members in Nov' 18



New SEP Policy

- Updates and streamlines policy – easier to use
- Expands SEP categories – added Climate Change Mitigation and Preparedness
- Allows only Outstanding and High quality SEPs
- Expanded section on importance of community input
- Removes point system – SEP must achieve 1 or more of the quality factors
- Allows 100% penalty mitigation in certain cases
 - Outstanding SEPs from a small business, non-profit, or government entity
 - Outstanding SEPs that significantly reduce or eliminate pollution

SEP Examples

Active Air Filtration System - Dearborn

- Company: AK Steel
- Project: Installed enhanced air filtration system at Salina Elementary and Salina Middle Schools to better remove particulate sub-micron particles, gaseous odors, and VOCs
- Cost: \$337,000



SEP Examples

Vegetative Buffer - Detroit

- Entities: City of Detroit, City of Detroit Building Authority, Detroit Land Bank Authority
- Project: Install a vegetative buffer at Clark Park in Detroit to reduce fugitive dust and particulate matter emissions from vehicles on I-75 to the adjacent park
- Cost: \$89,200



SEP Examples

Replacement of Street Lighting - Albion

- Company: Knauf Insulation
- Project: Recycled and properly disposed of existing streetlight bulbs and replaced them with more energy efficient LED lights. Resulted in a reduction in overall electrical demand, therefore reducing emissions associated with electricity generation.
- Cost: \$103,000



Improve Outreach and Education

- Plans to inform public, community groups, local governments and communities about new policy and potential SEPs
 - Fall '20 new AQD SEP website
 - Fall '20 MI Environment Article
 - 2021 virtual SEP workshops



Summary

- Since 2010, 9 SEPs totaling \$1.06 M agreed to in administrative settlement agreements
 - Currently US Steel and Marathon ACOs out for Public Notice and Comment and include 3 additional SEPs for a total of \$582,000
- Continuing to evaluate best process for incorporating SEPs into enforcement negotiations
- We want to hear your ideas for sharing resources with communities and businesses about potential projects

